

BILLINGE CHAPEL END

PARISH COUNCIL

INTERNAL AUDIT 2024-2025

YEAR-END REPORT

10th June 2025

Signed: *Jo O'Donoghue* FSLCC

IA-ODONOGHUE.COM
231 Hartford Road
Davenham
Northwich
Cheshire
CW9 8JT



Internal Audit Forum
THE VOICE FOR LOCAL COUNCIL AUDIT

The internal audit of Billinge Chapel End Parish Council has been carried out by undertaking the following tests as specified in the JPAG (Joint Panel on Accountability and Governance) latest guidelines 2024.

- Checking that books of account have been properly kept throughout the year
 - Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
 - Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
 - Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
 - Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
 - Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
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BILLINGE PARISH COUNCIL

| AGAR certificate reference | Internal audit response | Billinge Parish Council action plan |
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| <p>A. Appropriate accounting records have been properly kept throughout the year.</p> <p>AND</p> <p>Periodic bank account reconciliations were properly carried out during the year.</p> | <ol style="list-style-type: none"> 1. No evidence was provided to verify that bank reconciliations are prepared routinely and subject to independent scrutiny and sign-off by members. 2. The Council is advised to appoint a member of the Council, other than the Chair, to consider the bank reconciliation and verify the bank statements against the cashbook statement. | |
| <p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.</p> | <ol style="list-style-type: none"> 3. The procedures for receipt of invoices, agreement of invoice detail and confirmation of goods/ services delivery and approval for payment need to be reviewed; a suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation on the invoices. 4. VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements for the 2023-24 year. No claim has yet been submitted for the current audit year. | |
| <p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p> | <ol style="list-style-type: none"> 5. The Council has not prepared or formally adopted an appropriate and comprehensive register of assessed risks during 2024-2025. 6. The Council is advised that appropriate levels of insurance cover must be in place for business interruption and cyber security and that an IT Policy must be in place for the 2025-26 audit year as part of risk management. | |
| <p>D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</p> | <ol style="list-style-type: none"> 7. The Council has not reviewed the budget performance either during the year or at the financial year-end and no explanations for any significant or unanticipated variances has been provided. | |

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| <p>E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.</p> | <p>8. Hall hire: It was not possible to verify that an effective diary system for bookings is in place identifying the hirer, hire times and cross-referenced to invoices raised as the information was not available at the date of audit due to a change in admin staff.</p> | |
| <p>H. Asset and investment registers were complete and accurate and properly maintained.</p> | <p>Fixed Assets</p> <p>9. The asset register provided, approved by Council in June 2024 shows a total value of £229,804 however the value on the AGAR is stated as £238,461 for both the 2023-24 and 2024-25 audit years. There is nothing to indicate that there has been any disposal of assets in either of these audit years. The asset value should be considered and restated on the AGAR if necessary.</p> <p>10. It is recommended that the Council carry out a review of assets and include a dated, physical inspection of the assets.</p> | |
| <p>M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.</p> | <p>11. The Council is advised to minute the relevant dates at the same time as approving the AGAR.</p> | |